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August 2, 2007

VIA ELECTRONIC MAIL AND MESSENGER DELIVERY

Mr. Peter M. Felitti
Assistant Regional Counsel
US EPA – Region 5
Mail Code: C-14J
77 West Jackson Boulevard
Chicago, IL 60604-3590

Re: The Peoples Gas Light and Coke Company

Access Agreements for Settlement Agreement Sites Update and Request for Additional Response Period

Dear Peter:

On behalf of The Peoples Gas Light and Coke Company ("Peoples Gas"), I write in regard to the recent Administrative Settlement Agreements and Orders on Consent ("Settlement Agreements") entered into between USEPA and Peoples Gas and Peoples Gas' obligation thereunder to use its best efforts to obtain access agreements with site owners. This letter will provide you with an update regarding the status of our communications and negotiations with site owners. Further, we request additional time to continue our negotiations with owners.

Between June 6, 2007 and June 12, 2007, we provided notice and proposed access agreements to owners of properties located partially or wholly within the former Peoples Gas sites subject to the Settlement Agreements. On July 3, we wrote to you requesting more time to negotiate access, and we subsequently sent out second notices to non-responsive owners. We have now received written and/or verbal comments from owners at all parcels and 2 executed agreements.

Between July 30 and August 1, 2007, we sent revised access agreements to owners based on their comments. We request an additional 30 days in which to continue negotiations with these owners.

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Please contact me at your earliest convenience if you have any questions regarding this request.

Stephen H. Armstrong

SHA/bab

Jon P. Sanders cc: